



U.S. Department of Justice

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MEDIA RELEASE
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**NEW HAMPSHIRE TRUCKING COMPANY OWNER
PLEADS GUILTY TO FEDERAL CONSPIRACY CHARGES**

CONCORD, NEW HAMPSHIRE: United States Attorney Tom Colantuono, Rebecca Sparkman, Special Agent in Charge, Internal Revenue Service (IRS), Criminal Investigation, Boston Field Office, Kenneth W. Kaiser, Special Agent in Charge, Federal Bureau of Investigation (FBI), Boston Division, and Theodore L. Doherty, III, Special Agent in Charge, U.S. Department of Transportation (DOT), Office of Inspector General, New England, announced today that Robert B. Stalker, the owner of Robert's Dismantling and Recycling Corp., of Hudson, NH, appeared in U.S. District Court in Concord, NH Friday, December 2, 2005 and entered a plea of guilty to charges that he conspired to defraud the IRS and the DOT, and to defraud his workers compensation insurance carriers.

Stalker admitted that between 1996 and 2000 he paid his employees in cash, under the table, for all overtime work they performed and never reported the cash payments to the IRS. The non-reported cash payments were not recorded anywhere. This scheme resulted in three serious consequences. It hindered, and defrauded the IRS, because none of the cash was reported as income. It impeded the DOT, which periodically reviews trucking company internal records, in attempting to insure that truck drivers are not violating hours of service safety regulations. And it defrauded the workers compensation insurance carriers because the false IRS filings, which dramatically under-reported payroll, were given to the insurance companies to be used to establish the premiums to be paid.

In order to make the cash payments and keep the cash off the books, Stalker did a number of things. He admitted that during the course of the conspiracy he had businesses which owed his company money for services rendered pay him by checks made payable in false names. He then cashed more than \$1.3 million worth of those false payee checks at a check cashing company in Massachusetts, paying a 2% or 3% fee. As a result, the cash never showed up on the company's books. He also wrote more than \$750,000 worth of checks from the company bank account, made payable to companies he actually did business with and to fictitious companies and likewise cashed many of those checks at the check cashing company in Massachusetts, again paying 2% or 3% fee. As a result, his company's books showed expenses it never incurred.

Stalker is scheduled to be sentenced on March 16, 2006. This case was investigated cooperatively by the IRS, the FBI and the DOT and is being prosecuted by Assistant U.S. Attorney Arnold H. Huftalen.